

# Canada

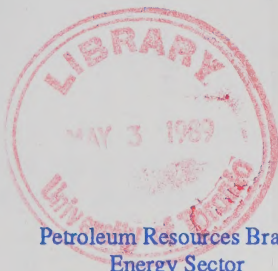
CAI

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## OIL & GAS

FACT BOOK



Petroleum Resources Branch  
Energy Sector  
Ottawa, Ontario K1A 0E4



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## CONVERSION FACTORS:

1 cubic Metre = 6.3 bbl.(Oil)  
(m<sup>3</sup>) = 35.3 cu.ft.(Gas)

1 metre = 3.28 feet  
(m) = 39.37 inches

1 kilometre = 1 000 metres  
(km) = 0.62 mile

1 hectare = 2.47 acres  
(ha)

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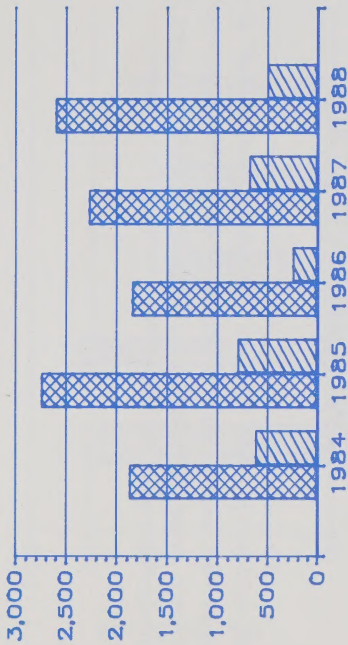
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## ALBERTA: LAND SALES

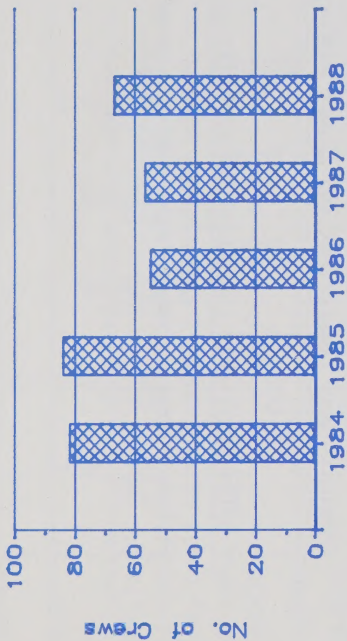
The Province of Alberta, through its Department of Energy and Natural Resources, conducts bi-weekly auctions of Crown lands by **"sealed bids."** Oil companies nominate tracts of lands that are prospective for oil and gas and the provincial agency then makes available a list of these lands that may be leased at a future specified date.

▣ Hectares (K)    ▤ Bonus (\$M)



## **CANADA: GEOPHYSICAL ACTIVITY**

The following chart depicts the average number of active crews for each year. Geophysical activity covers mainly seismic crews but magnetic, gravity and other types of surveys are also included.

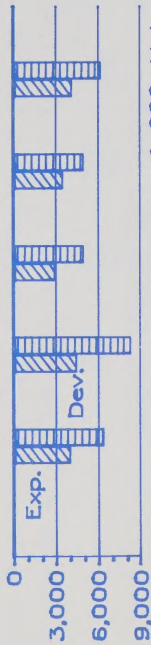
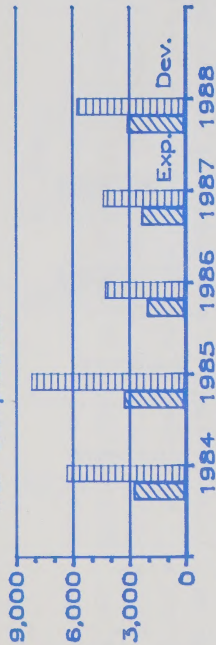


## CANADA: WELL COMPLETIONS AND METRES DRILLED

The chart below highlights the number of exploration and development wells completed in each year and the corresponding metres drilled. Note the record number of 11,500 well completions in 1985.



# Well Completions

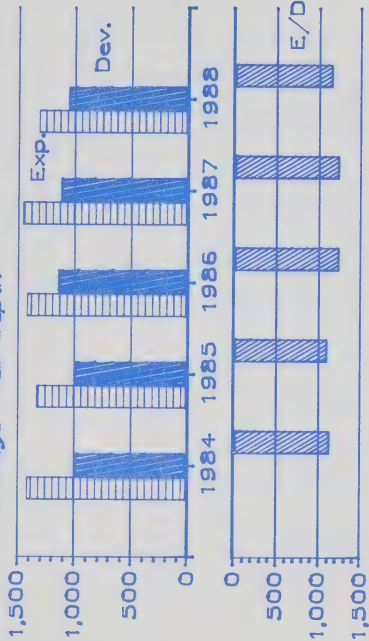


1 000 Metres Drilled

### **CANADA: AVERAGE WELL DEPTHS**

The average well depth in metres, is calculated from the total wells completed and aggregate metres drilled. There can be a large variance in well depths by regions and provinces. For example; wells in Manitoba are less than 1 000 metres but those in the frontiers can exceed 4 000 metres. Within Alberta, Milk River wells are about 1 000 m whereas Foothills wells are about 3 500 metres.

# Average Well Depth

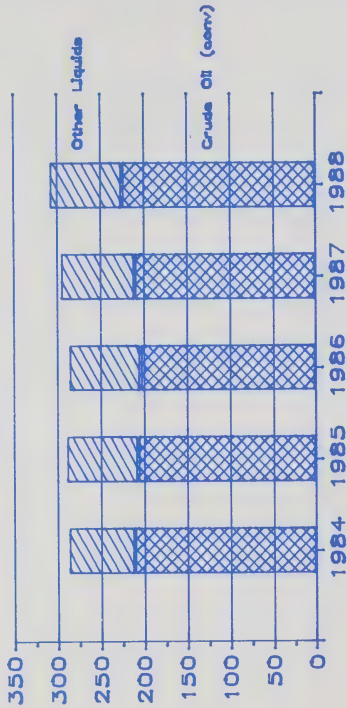


Metres/Well

## **CANADA: PETROLEUM PRODUCTION**

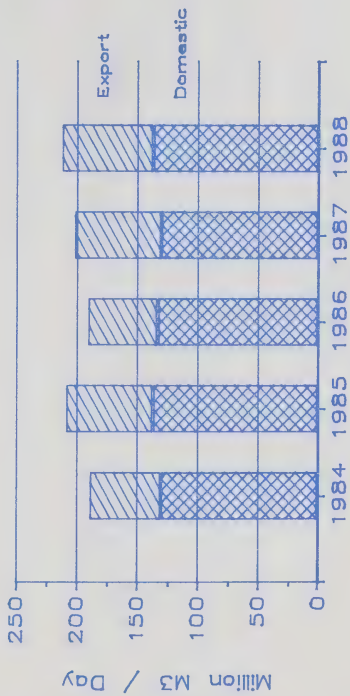
Shown is a breakdown of Canada's daily liquid hydrocarbon production. Included in this chart are crude oil (conventional and synthetic),  $C_5$  (pentanes plus) and condensate, and natural gas liquids (from natural gas production). The output for 1988 increased marginally over 1987.

1 000 M3/Day



## CANADA: NATURAL GAS SALES

Sales of Canadian natural gas in the domestic market have continued to be stable. Sales of gas in the export market to the United States have shown greater yearly fluctuations.

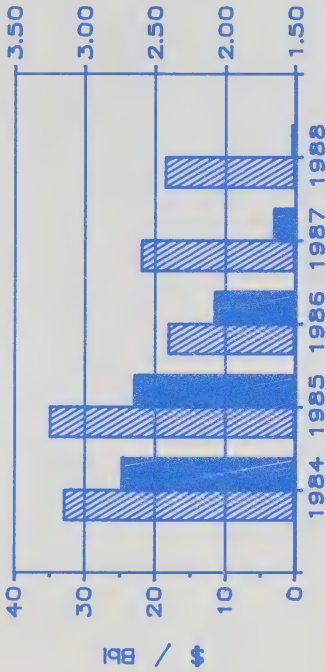


## AVERAGE WELLHEAD PRICES

This table depicts the average price of crude oil and natural gas, at the wellhead, in Western Canada. Actual prices for crude oil will vary depending on the gravity and quality (sulphur content). The international oil price decline, effects of deregulation and soft markets are responsible for the wellhead price drop in oil and gas in 1986.

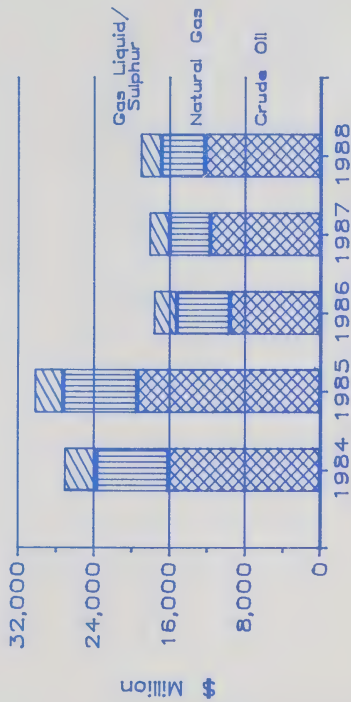


 Crude Oil (\$ / Bbl)  
  Nat. Gas (\$ / MCF)



### CANADA: GROSS PRODUCTION REVENUES

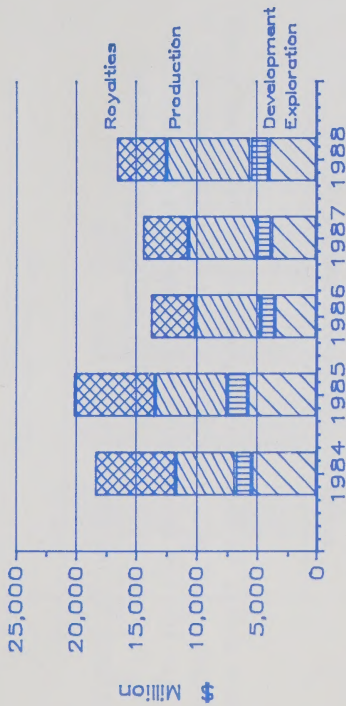
The petroleum industry revenues reflect sales from a wide variety of products. As shown in the chart, 1985 recorded a large increase in revenues because of high prices and levels of production. Revenues from crude oil production account for more than 50% of total sales. As the chart indicates, revenues in 1986 fell to be one-half of those for 1985 with some recovery in 1987 and 1988.



## **CANADA: INDUSTRY EXPENDITURES**

An itemized list of industry expenditures (capital and operating costs) has been categorized into four main subjects. The inclusions for each are:

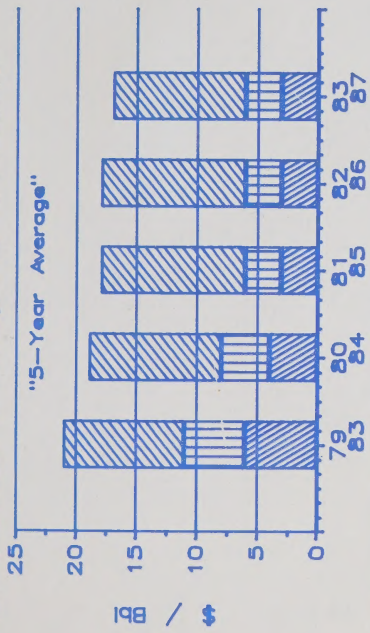
1. **Exploration** - drilling and land
2. **Development** - drilling, production facilities, gas plants
3. **Production** - associated costs and others
4. **Royalties** - payable to provinces.



## ALBERTA: COSTS PER BARREL OF OIL

These costs, to the industry, relate to the **"finding and lifting cost"** of a barrel of oil in Alberta based upon a 5-year average of expenditures. Royalties payable have been included in the production costs. Taxes are not included in the analysis.

■ Exploration   ■ Development   ■ Production





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